

UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO

-----X  
In re:

PROMESA  
Title III

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

No. 17 BK 3283-LTS

THE COMMONWEALTH OF PUERTO RICO,  
et al.,

(Jointly Administered)

Debtors.<sup>1</sup>  
-----X

ORDER DENYING URGENT  
MOTION OF FINANCIAL GUARANTY INSURANCE COMPANY REGARDING PROPOSED 90-DAY STAY  
OF ALL LITIGATION TO FACILITATE THE RECOVERY FROM HURRICANES IRMA AND MARIA

Upon consideration of the *Urgent Motion of Financial Guaranty Insurance Company Regarding Proposed 90-Day Stay of All Litigation to Facilitate the Recovery from Hurricanes Irma and Maria* (the “Motion”) (Docket Entry No. 1514.), the responses filed in connection with the Motion (Docket Entry Nos. 1581, 1585, 1586, 1602 & 1664.), and the arguments made in connection with the Motion at the hearing held on November 15, 2017, the Motion is denied.

---

<sup>1</sup> The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

The request of the Financial Guaranty Insurance Company (“FGIC”) to stay the Title III proceedings and all of the pending litigation, except the Appointments Clause litigation, is denied. FGIC has not cited any authority in support of the extraordinary relief it requests and has not demonstrated that it has standing to request stays of litigation proceedings to which it is not a party. The Court notes no such request has even been made in any adversary proceeding to which FGIC is actually a party. The arguments of the Financial Oversight and Management Board, the Puerto Rico Fiscal Agency and Financial Advisory Authority, and others, demonstrate the critical need for the restructuring process, including any necessary legal determinations as to the parties’ relative rights and obligations, to continue in tandem with the formulation of Fiscal Plans and recovery efforts following Hurricane Maria. Working towards a timely and confirmable plan of adjustment in these cases is the only clear path to ensuring progress toward the financial recovery of the Commonwealth of Puerto Rico and the improvement of the welfare of its people. Although the Court continues to urge the debtors and all parties in interest to focus principally on consensual, collaborative work in aid of recovery and restructuring, the Court will not preclude litigation of any matters that are brought before it. Therefore, the Motion is denied.

This order resolves docket entry no. 1514.

SO ORDERED.

Dated: November 16, 2017

/s/ Laura Taylor Swain  
LAURA TAYLOR SWAIN  
United States District Judge